

1.1 Challenges the System Faced

System Challenges:

The 16 ½ % cut in funding and the cash flow crises created our most serious challenge this fiscal year. The board and administration concentrated on cutting all services and activities not related to delivery or the automated library catalog.

Suspension of most services and staff layoffs occurred twice during the last fiscal year. In the first round, ten full time employees were laid off. The second round concentrated on the suspension of all continuing education and professional development opportunities for the members. Four full- time consulting positions were eliminated by the end of the fiscal year. Three full time support staff for the CE and Consulting programs were also eliminated.

We have managed to sustain the delivery service and the support of SWAN.

The challenge of increased delivery and the addition of Oak Park Public Library necessitated the formation of a member task force to study options for delivery. The initial report is completed.

http://www.mls.lib.il.us/delivery/DeliveryProgressReportSept2010_FINAL.pdf Next steps include an RIF to conduct an analysis of outsourcing costs; review of SWAN loan rules and a discussion of limiting items to reduce the volume.

SWAN Council established a committee to write a business plan for SWAN. The main purpose of the work was to conduct an analysis to determine baseline costs. This plan reviews the current costs met by member contribution and includes the areas of financial support provided by MLS in order to allow the reader to see all the current costs and obligations. The plan also provides a detailed description of SWAN including summaries of each of the products and services provided to the members. An overview of operational procedure is provided along with a description of the current physical location associated with running SWAN.

The business plan provides a starting point for analyzing strategic initiatives to continue SWAN's operation. <http://www.mls.lib.il.us/SWAN/Bizcom.asp>

Membership Challenges:

Libraries of all types have been hard hit by the economy. This year I'm sad to report that no improvements have been made. School district superintendents continue to cut the staffing of our school media centers libraries, in some cases completely closing the library, whether or not to fill the system staff, worked with individual school districts to inform and advocate for continued support of school libraries, and were able to overturn some of the cuts.

This year the MLS board dropped 6 school and 7 special members by institution request and reduced 9 school to developmental from full membership. MLS also added

9 school, 13 special and 1 academic as new full members and 1 school was added as a developmental member. Also, 1 academic was upgraded from developmental to full membership.

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Public libraries continued to be used at even higher numbers this past year. Loss of jobs, foreclosures, loss of income tax due to non payment for real estate taxes, all add up to significant budget shortfalls for many public libraries. Public library sustainability continues to be an issue in the Metropolitan Library System. Public library directors and trustees talk of cooperation and consolidation of services. This will be a trend for the Illinois State Library to watch over the next two to three years.

Finally, librarians continue to voice frustration with aging technologies and the inability to afford upgrades. Sufficient bandwidth is also becoming an issue with the increased use of laptops being used on wireless networks. 99% of our public libraries utilize the ICN network over T-1 and T-3 lines. Some also contract with Comcast for additional service.